effective July 13, 1988. DFHI stands ready to buy and sell these bills and banks are now provided refinance from RBI equivalent to 50 per cent of their holdings of these bills.

The DFHI has been permitted to participate in the cell money market both as a lender and a borrower and to act as an arranger of funds against the charge of a modest fee in this market and also to render service to the banks in the money market. From October, 1988, its operation in the call money market have been exempted from the provisions of ceiling on the rate of interest prescribed by the Indian Banks Association.

(vi) The procedure for handling commercial bills has recently been simplified by RBI and banks have been permitted to issue usance promissory notes in convenient lots and maturities on the strength of genuine trade bills discounted by them and to rediscount these promissory notes with the participants in the rediscount market and the stamp duty chargeable on such promissory notes has been remitted by the Govednment; and

(vii) With a view to facilitating the adjustment of short term liquidity within the banking system a new instrument called Inter-Bank Participations has been introduced on both risk-sharing (for 91-180 days) and non-risk sharing (upto 90 days) basis.

The measures mentioned above would work towards the deepening and widening of the money market, help banks to even out short term liquidity and impart flexibility to their credit portfolios and improve the payments systems, besides providing better yields on short-term funds.

Housing loans to Scheduled Castes and Scheduled Tribes

2463. SHRI SUBAS MOHANTY: Will the Minister of FINANCE be pleased to state the guidelines issued by the Central Government to the States regarding housing loans, etc. to be provided from the nationalised banks to the Scheduled Castes and Scheduled Tribes?

THE MINISTER OF STATE IN THE DEPARTMENT OF ECONOMIC AFFAIRS IN THE MINISTRY OF FINANCE (SHRI EDUARDO FALEIRO): Reserve Bank of India has issued guidelines to scheduled commercial banks to provide housing finance to various categories of borrowers including Scheduled Caste/Scheduled Tribes. However, in respect of loans to Scheduled Caste/Scheduled Tribes up to and inclusive of Rs.5,000/-, a concessional rate of interest of 4 per cent per annum is charged as against 12.5 per cent per annum from others. Reserve Bank of India has further advised the scheduled commercial banks to ensure that at least 50 per cent of the amount lent directly to individuals or groups of individuals and indirectly through housing finance agencies, housing boards, HUDCO, private builders, etc. is given to beneficiaries belonging to scheduled castes/scheduled tribes, economically weaker sections and low income groups.

Nationalisation of Banks

2464. SHRI MUKHTIAR SINGH MALIK: Will the Minister of FINANCE be pleased to state:

(a) whether there is any proposal under Government's consideration to nationalise more banks;

(b) if so, what are the names of the banks which are likely to be nationalised during the next two years; and

(c) what is the number of banks scheduled during the past two years by Government?